



April 29, 2016

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RETURN RECEIPT REQUESTED

Chief, Air and TRI Section
Enforcement Division
U.S. Environmental Protection Agency Region 9
75 Hawthorne Street
San Francisco, California 94105

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Director, Air Enforcement Division
Office of Civil Enforcement
U.S. EPA Headquarters, MC 2242A
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

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Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-2-1-10459

Re: United States v. Asarco
Consent Decree No. CV-15-02206-PHX-DLR
Quarterly Report for the First Quarter of 2016

Presented below is Asarco's quarterly report for the first quarter of 2016, as required by paragraphs 55 and B.36 of the above-referenced consent decree.

1. REQUIREMENTS INDEPENDENT OF CONVERTER RETROFIT PROJECT

The following are not dependent on the completion of the converter retrofit project.

A. CIVIL PENALTY

The civil penalty due under the decree was paid in accordance with the terms of the decree on January 15, 2016.

B. THIRD-PARTY AUDIT OF FUGITIVE DUST CONTROLS

Asarco nominated Haley & Aldrich, Inc. as the third party auditor on December 1, 2015. EPA approved the third-party auditor selection on January 20, 2016.

C. PINAL COUNTY ROAD PAVING ENVIRONMENTAL MITIGATION PROJECT

The preparation of the project plan for submittal to EPA is underway.

Asarco anticipates that the County will submit to EPA a timely identification of the County's legal authorities to accept the funding of the project and conduct the project using the funding.

Since the funding is not payable to the County until after the plan is approved, the County has spent \$0.00 on the project as of March 31, 2016.

D. GILA COUNTY LEAD-BASED PAINT ABATEMENT ENVIRONMENTAL MITIGATION PROJECT

The preparation of the project plan for submittal to EPA is underway.

Coordination of the special escrow account under agreement with the County is pending.

Asarco anticipates that the County will submit to EPA a timely identification of the County's legal authorities to accept the escrow funding of the project and conduct the project using the funding.

Since the funding is not payable to the escrow account until after the plan is approved, the County has spent \$0.00 on the project as of March 31, 2016.

E. PERFORMANCE TESTING AND COMPLIANCE MONITORING**Method 5 data:**

There were no Method 5 performance test data collected during the first quarter of 2016.

Method 5B data:

There were no Method 5B performance test data collected during the first quarter of 2016.

PM CEMS data:

N/A. Preparation of the Installation, Certification and QA/QC Protocol for the PM CEMS is ongoing. The due date for the protocol is May 3, 2016.

Exceedances of applicable PM emissions limits:

N/A. PM CEMS monitors have yet to be installed.

Investigation(s), causes(s) and corrective action(s) taken:

N/A. PM CEMS monitors have yet to be installed.

Investigation(s), cause(s) and corrective action(s) taken:

The cause for all four alarms was heavy rain that was causing water to wet the probe bodies in each of the baghouse modules. Once the probe bodies dried out, the readings returned to normal thus no corrective action was necessary.

H. DUCON-TYPE WET SCRUBBER OPERATIONAL REQUIREMENTS**Exceedance(s) of 0.05 g/dscm limit:**

None.

Hourly (block) average pressure drop(s) and liquid flow rate(s) outside range established in most recent Method 5 test:

Measurement systems that record the hourly (block) average pressure drops were all installed on February 5, 2016 and beginning with February 11, 2016's data onward automated report summaries were available.

The hourly block averages outside the established range(s) are detailed in the attached compact disk.

Investigation(s), cause(s) and corrective action(s) taken:

The investigation(s), cause(s) and corrective action(s) taken for each event are detailed in the attached compact disk.

Times scrubber(s) not in service or believed to be malfunctioning:

The times that the scrubber(s) were not in service or believed to be malfunctioning are detailed in the attached compact disk.

I. CORRECTIVE ACTION TRIGGERS FOR ACID PLANT

Asarco submitted its proposed corrective action trigger level plan on January 29, 2016. EPA subsequently approved of Asarco's plan on March 9, 2016.

J. FACILITY-WIDE OPACITY LIMIT**Exceedance(s) of 20% opacity limit (Method 9) applicable to fugitive dust from any part of the facility:**

None.

Investigation(s), causes(s) and corrective action(s) taken:

N/A.

N. AMBIENT MONITORING NETWORK

Ambient monitoring network raw data and calculated ambient levels for the first quarter of 2016 are enclosed with this report on a compact disc. Note the fugitive dust plan has yet to be submitted and approved.

High Wind events:

High Wind Event data for the first quarter of 2016 is enclosed with this report on a compact disc. Note the fugitive dust plan has yet to be submitted and approved.

O. PM CEMS INSTALLATION AND CERTIFICATION

Preparation of the installation, certification and QA/QC protocol for the PM CEMS is ongoing. The due date for the protocol is May 3, 2016.

P. IMPLEMENTATION PERMITTING

The air quality permit for the converter retrofit project required under the decree was issued on January 19, 2016.

Preparation of the balance of the conforming permitting required under the decree is ongoing and corresponding permit revision applications will be submitted in a timely manner.

Q. PREPARATION OF FUGITIVE EMISSIONS STUDY PROTOCOL

Asarco has selected SLR International Corp. to assist in preparing the fugitive emission study protocol. The due date for submitting the initial study protocol is June 30, 2016.

R. R&R COTTRELL ESP REPLACEMENT BAGHOUSE

Asarco's EPCM contract for the replacement project was awarded to Gas Cleaning Technologies, LLC (GCT) on January 7, 2016. The due date for the replacement is May 1, 2018.

S. DRY LIME SCRUBBING OF SO₂ ROUTED TO BAGHOUSES

Asarco's EPCM contracting for this project is pending. The due date for beginning injection of high-surface-area hydrated lime and installing the SO₂ CEMS for the secondary hood baghouse and ESP replacement baghouse is May 1, 2018.

Failure(s) to meet applicable control efficiency:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken or status of demonstration of technical infeasibility of control efficiency:

N/A. Dependent upon CRP completion.

T. DIESEL ELECTRIC SWITCH LOCOMOTIVE SUPPLEMENTAL ENVIRONMENTAL PROJECT

The due date for purchasing and operating the new diesel-electric switch locomotive is December 30, 2018.

2. REQUIREMENTS DEPENDENT UPON CONVERTER RETROFIT PROJECT

The following concern the converter retrofit project or are dependent upon the completion of the converter retrofit project.

A. CONVERTER RETROFIT PROJECT

The due date for permanently ceasing operation of the 5 existing converters and completing the installation of 2 of the 3 new converters and their improved secondary hoods is May 1, 2018.

B. TOTAL COMBINED BLOWING TIME OR SO₂ LIMIT ON ACID PLANT TAIL GAS

Exceedance(s) of total combined blowing time limit at all converters of 21 hours per 24-hour period rolled hourly, unless Asarco accepts 100 ppmv SO₂ limit on acid plant tail gas:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

C. PRIMARY HOODING PARAMETER

Failure(s) to achieve minimum air infiltration ratio of 1:1 during blowing when improved hood is operational averaged over 24 blowing hours rolled hourly:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

D. SECONDARY HOODING PARAMETER DURING BLOWING

Failure(s) to achieve minimum exhaust rate of 35,000 SCFM at a converter averaged over 24 blowing hours rolled hourly, unless an alternative parameter has been approved:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

E. SECONDARY HOODING PARAMETER DURING NON-BLOWING

Failure(s) to achieve minimum exhaust rate of 133,000 SCFM at a converter averaged over 24 non-blowing hours rolled hourly, unless an alternative parameter has been approved:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

F. SECONDARY HOODING PARAMETER WHEN HOOD DOORS ARE CLOSED

Failure(s) to achieve minimum negative pressure drop across a hood of 0.03 mm of Hg (0.007 inches of water), unless an alternative parameter has been approved:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

G. TERTIARY HOODING PARAMETER AT ALL TIMES MATERIAL IS PROCESSED IN COPPER CONVERTER DEPARTMENT

Failure(s) to achieve minimum exhaust rate of 400,000 ACFM averaged over 24 hours of copper converter department material processing rolled hourly, unless an alternative parameter has been approved:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

H. SO₂ EMISSIONS LIMIT FOR GASES COLLECTED FROM THE CONVERTERS

Exceedance(s) of applicable 650 ppmv limit for gases routed to acid plant or secondary hood baghouse or gases in the tertiary hood exhaust:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

I. VISIBLE EMISSIONS EXITING ROOF OF BUILDING HOUSING FURNACES AND CONVERTERS

The due date for the submittal of a performance test plan per 40 C.F.R. § 63.1450(c) is 60 days after the completion of the converter retrofit project.

Exceedance(s) of 4% opacity limit applicable to visible emissions from furnaces and converter building and not yet superseded by requirements related to 3 long-path optical density monitors:

N/A. Dependent upon CRP completion.

Investigation(s), cause(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

J. PROCESS-WIDE TOTAL PM EMISSIONS LIMIT:

The due date for beginning the use of a measuring system described in paragraph 24.a of the decree is June 1, 2019.

Exceedances of applicable total PM limit(s):

N/A. Dependent upon CRP completion.

Investigation(s), causes(s) and corrective action(s) taken:

N/A. Dependent upon CRP completion.

K. IMPLEMENTATION OF APPROVED FUGITIVE EMISSIONS STUDY PROTOCOL

The due date for the commencement of the fugitive emissions study protocol for the initial study is 6 months after the completion of the converter retrofit project.

L. LONG-PATH OPTICAL DENSITY MONITORS SPECIFIED IN PROTOCOL

The due date for the installation of the three long-path optical density monitors at the building emission points specified in the fugitive emissions study protocol is 6 months after the completion of the initial study.

3. PROBLEMS ENCOUNTERED OR ANTICIPATED WITH COMPLIANCE

Problems with consent decree compliance were not encountered during the first quarter of 2016 and are not presently anticipated.

4. CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.



Joseph A. Wilhelm
General Manager
Hayden Operations

JAW/rcg

Enclosure